GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1410
ANSWERED ON:16.07.2004
NATIONAL SAVING SCHEME
Bisen Shri Gauri Shankar Chaturbhuj

Will the Minister of FINANCE be pleased to state:

(a) the procedure of the repayment of the maturity amount under the National Saving Scheme;

(b) whether the attention of the Government has been drawn towards the inconvenience being faced by the persons in rural areas in getting their account payee cheques encashed;

(c) if so, whether any proposal for simplifying the procedure of the repayment is under consideration of the Government; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) to (d) Repayment of maturity values under various small savings schemes is inter-alia governed by the provisions contained in Section 269T of the Income Tax Act, 1961, as amended from time to time, according to which repayment of loans and deposits beyond rupees twenty thousand are required to be made through account-payee cheques or account-payee bank drafts.

There is no proposal under consideration of the Government to amend the relevant provisions of the Income Tax Act, 1961.